

PLANNING COMMISSION MINUTES OF 05/23/05**Review of Proposed Fee Schedule Relating to Planning for Fiscal Year 2005-2006**

Trudi Ryan, Planning Officer, presented the staff report. She said that annually staff brings the fee schedule to the Planning Commission for consideration. She said that increases are related to inflation for almost all of the items on the list. One new fee being proposed is to add a fee for the Heritage Resource permits. Gerri Caruso, Principal Planner, commented that this permit fee is not shown in the report as this report was done several months back for budget purposes. The fee was included in a report that went to Council last month. Ms. Caruso said the proposed fee is similar to what we are charging for other permits. Ms. Ryan pointed out that there is a considerable increase in the park dedication in-lieu fee. She said that the in-lieu fee is based on the value of land. Many years ago the ordinance was modified that the City would annually ascribe a land value (rather than project to project) to determine the in-lieu fee. The current market for residential property is higher and therefore the park dedication fee will change from \$55 per sq. ft. to \$75 per sq. ft., which affects the fee for dwelling units by about \$1000. Staff is recommending that the Planning Commission recommend to Council to adopt these fees.

Comm. Simons asked four questions that have to do with whether fees are being recovered:

- 1) Do we have a recovery for expenditures that the City incurs for any Transportation Demand Management (TDM) requirement for any small or medium projects, i.e. residential, commercial, educational. Ms. Ryan said TDM requirements are primarily on industrial development sites approved with a higher Floor Area Ratio (FAR) and they annually report to us. There is no fee. There are no residential or commercial sites that need TDM. Comm. Simons confirmed with staff that we do not have any recovery for requirements that are added on to a project. Ms. Ryan noted that it would be difficult to add recovery to existing projects;
- 2) When there is scheduled specific testing that has to be done over time, i.e. air quality, do we have a recovery for the time staff spends on the testing. Ms. Ryan said no;
- 3) We have on-line collections of information on databases and other information, i.e. Conditions of Approval, viewable by the public. Do we have fees for maintenance of this information? Ms. Ryan said we have several databases and the Conditions of Approval are kept electronically. She said the staff time for maintenance of this information is figured into the development fees;
- 4) We have requirements of staff inspections at a later date on various projects. Do we have any recovery of the staff time on these types of requirements? Ms. Ryan said that all fees collected in development service are figured into the

planning fees. We don't have 100% recovery of capturing the costs of the various departments. For example, Neighborhood Preservation may follow up on an item a couple of years later and these costs are not built into the fees.

Comm. Klein asked about family daycares and why they do not have a fee. Ms. Ryan said there are two kinds of family daycare reviews. One does not go to public hearing so there is no fee. The second is large family daycares within 300 feet of another large family daycare. These are required to be heard at a public hearing and there is a fee \$113 fee for these daycares. Comm. Klein said he was surprised that there was no charge on some items. Ms. Ryan said that as an example, a Design Review that does not go to public hearing has no fee. Comm. Klein commented that most of the fee changes were at a 3% increase.

Comm. Babcock commented that a lot of these fee increases go by the standard of living increases and the amounts are so small she questions whether the fee increases would even cover the cost of the paper they are printed on. Ms. Ryan said that even if we do not increase the fees, Council still has to review them, so it takes the same amount of paper.

Comm. Hungerford said he is curious about how these fees compare to other cities in the area. Ms. Ryan said that about every five years she does a fee analysis and generally Sunnyvale is in the middle or a little below what other nearby cities charge. We make adjustments accordingly. Comm. Hungerford asked if these proposed fees cover the costs to the Planning Division. Ms. Ryan said that staff has recommended these fees and is comfortable that the development services fees are covering the direct development services activities

Comm. Simons asked if Planning Commission is making a recommendation to staff or to Council. Ms. Ryan said this recommendation is to City Council.

Chair Moylan opened the public hearing.

Chair Moylan closed the public hearing.

Comm. Simons made a motion to accept staff's recommendation to forward the fee schedule as presented to the Planning Commission; to look at the goal of being revenue neutral for Planning Permits in the future; to examine potential fees for monitoring Conditions of Approval (COA) requiring follow up by staff (e.g. TDM program review, testing, site visits). Comm. Sulser seconded the motion.

Comm. Simons said he cannot speak to whether these increases are correct and trusts that staff has reviewed their appropriateness. What he is concerned with is that appropriate recovery mechanisms be considered for expenditures that the City might be incurring in the future, related to current projects.

Comm. Sulser stated that overall the fee increases look like minor cost of living increases and he has no problem recommending these.

Comm. Babcock asked for clarification from the maker of the motion regarding the recommendations, specifically, how would applicants pay these fees? **Comm. Simons** said that question is exactly what he would like staff to look into and determine whether any additional fees would be appropriate.

Final Motion:

Comm. Simons made a motion to accept the staff recommendation to forward the fee schedule as presented to the Planning Commission; to look at the goal of being revenue neutral for Planning Permits in the future; to examine potential fees for monitoring Conditions of Approval (COA) requiring follow up by staff (e.g. TDM program review, testing, site visits). **Comm. Sulser** seconded.

Motion carried unanimously, 6-0, with Comm. Fussell absent.

Item is not appealable as recommendation will be taken to City Council for Public Hearing on June 7, 2005 and on June 21, 2005 for formal action.